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Westly Announces End of Fiscal Year Revenues

2004-05 Revenues Nearly 17 Percent Higher Than Last Year

SACRAMENTO – State Controller Steve Westly announced today that state revenues for fiscal year 2004-05 totaled \$85.4 billion, an increase of 16.7 percent from fiscal year 2003-04.

Westly said state revenues for the month of June came to \$9.6 billion, 3.2 percent higher than the most recent estimate. Revenues from every major source were in line with estimates contained in the May revision of the State Budget: retail sales and use taxes were 10.7 percent higher; corporation taxes were 2.8 percent higher; and personal income taxes were on estimate.

“California’s innovative tax amnesty program pushed our revenues well over last year’s benchmark,” Westly said.

For the month of June, personal income tax receipts were \$4.4 billion, \$1.2 million above estimates. Retail sales and use taxes came in at \$2.8 billion, \$275.9 million above estimates. Corporation taxes yielded \$1.7 billion, \$46.2 million above estimates.

Westly also reported that California entered the new fiscal year July 1 with cash on hand of \$7.2 billion.

“We have enough cash on hand to keep our credit card in the drawer,” Westly added. “Now is the time to reduce borrowing and make investments to further stimulate our economy.”

Excerpt of revenue report follows. Link to full report at
<http://www.sco.ca.gov/ard/cash/0405/jun.pdf>

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General Fund Cash Basis Revenues for the Month of June 2005 *

Comparison of June 2005 to June 2004

In thousands

	Month of June		Comparison	
	2005	2004	Amount	%
Alcoholic Beverage Excise Tax	25,412	24,382	1,030	4.2
Corporation Tax	1,714,629	1,487,617	227,012	15.3
Cigarette Tax	13,416	9,148	4,268	46.7
Estate, Inheritance, and Gift Tax	22,367	46,281	(23,914)	(51.7)
Insurance Companies Tax	474,653	424,359	50,294	11.9
Personal Income Tax	4,409,751	3,834,892	574,859	15.0
Retail Sales and Use Taxes	2,798,102	2,821,139	(23,037)	(0.8)
Pooled Money Investment Interest	25,467	14,684	10,783	73.4
Not Otherwise Classified	125,627	131,782	(6,155)	(4.7)
Total Revenues	9,609,424	8,794,284	815,140	9.3

General Fund Cash Basis Revenues for the Fiscal Year through June 2005 *

Comparison of Fiscal Year 2004-05 to 2003-04

In thousands

	July 1 through June 30		Comparison	
	2005	2004	Amount	%
Alcoholic Beverage Excise Tax	312,671	311,872	799	0.3
Corporation Tax	12,496,503	7,964,152	4,532,351	56.9
Cigarette Tax	122,206	116,903	5,303	4.5
Estate, Inheritance, and Gift Tax	452,679	574,510	(121,831)	(21.2)
Insurance Companies Tax	2,228,317	2,113,933	114,384	5.4
Personal Income Tax	42,476,251	36,752,037	5,724,214	15.6
Retail Sales and Use Taxes	25,506,531	23,699,237	1,807,294	7.6
Pooled Money Investment Interest	167,339	120,126	47,213	39.3
Not Otherwise Classified **	1,684,799	1,566,468	118,331	7.6
Total Revenues	85,447,296	73,219,238	12,228,058	16.7

* This information is based upon funded cash. Funded cash is cash reported to and recorded in the records of the State Controller's Office. Amounts reported as funded cash may differ from amounts in other reports to the extent there are timing differences in the recording of in-transit items.

** Excludes \$2,263,609 received on 09/30/03 from the issuance of Tobacco Securitization Bonds

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General Fund Cash Basis Revenues for the Month of June 2005 *
Comparison of Actual Amounts to 2005-06 May Revision Estimate
In thousands

	Month of June		Actual Over or (Under) Estimate	
	Actual	May Revision Estimate	Amount	%
Alcoholic Beverage Excise Tax	25,412	25,090	322	1.3
Corporation Tax	1,714,629	1,668,473	46,156	2.8
Cigarette Tax	13,416	11,850	1,566	13.2
Estate, Inheritance, and Gift Tax	22,367	24,145	(1,778)	(7.4)
Insurance Companies Tax	474,653	470,427	4,226	0.9
Personal Income Tax	4,409,751	4,408,481	1,270	0.0
Retail Sales and Use Taxes	2,798,102	2,522,177	275,925	10.9
Pooled Money Investment Interest	25,467	32,873	(7,406)	(22.5)
Not Otherwise Classified	125,627	150,047	(24,420)	(16.3)
Total Revenues	<u>9,609,424</u>	<u>9,313,563</u>	<u>295,861</u>	3.2

General Fund Cash Basis Revenues for the Fiscal Year through June 2005 *
Comparison of Actual Amounts to 2005-06 May Revision Estimate
In thousands

	July 1 through June 30		Actual Over or (Under) Estimate	
	Actual	May Revision Estimate	Amount	%
Alcoholic Beverage Excise Tax	312,671	308,000	4,671	1.5
Corporation Tax	12,496,503	12,457,000	39,503	0.3
Cigarette Tax	122,206	122,000	206	0.2
Estate, Inheritance, and Gift Tax	452,679	444,000	8,679	2.0
Insurance Companies Tax	2,228,317	2,231,000	(2,683)	(0.1)
Personal Income Tax	42,476,251	42,222,000	254,251	0.6
Retail Sales and Use Taxes	25,506,531	25,136,000	370,531	1.5
Pooled Money Investment Interest	167,339	169,000	(1,661)	(1.0)
Not Otherwise Classified	1,684,799	1,727,000	(42,201)	(2.4)
Total Revenues	<u>85,447,296</u>	<u>84,816,000</u>	<u>631,296</u>	0.7

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